

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2024

	***** Individual Quarter *****		***** Cumulative Quarter *****		
	Note	Current year quarter 31 March 2024 RM'000	Preceding year corresponding quarter 31 March 2023 RM'000	Current year to date 31 March 2024 RM'000	Unaudited corresponding period 31 March 2023 RM'000
Revenue		4,335	N/A	21,920	N/A
Direct Costs		<u>(3,156)</u>	<u>N/A</u>	<u>(15,042)</u>	<u>N/A</u>
Gross Profit		1,179	N/A	6,878	N/A
Other Income		3,769	N/A	4,544	N/A
Administrative and General Expenses		<u>(3,942)</u>	<u>N/A</u>	<u>(23,619)</u>	<u>N/A</u>
Operating Gain / (Loss)		1,006	N/A	(12,197)	N/A
Finance Costs		(120)	N/A	(396)	N/A
Share of Associate Profit		<u>(14)</u>	<u>N/A</u>	<u>108</u>	<u>N/A</u>
Profit/(Loss) Before Taxation	B5	872	N/A	(12,485)	N/A
Taxation	B6	<u>-</u>	<u>N/A</u>	<u>(5)</u>	<u>N/A</u>
Profit/(Loss) After Taxation		872	N/A	(12,490)	N/A
Exchange Different		-	N/A	-	N/A
Total comprehensive Profit / (Loss)		<u>872</u>	<u>N/A</u>	<u>(12,490)</u>	<u>N/A</u>
Non-Controlling Interest		<u>-</u>	<u>N/A</u>	<u>-</u>	<u>N/A</u>
PROFIT/(LOSS) ATTRIBUTABLE TO Equity holders of the Company		<u><u>872</u></u>	<u><u>N/A</u></u>	<u><u>(12,490)</u></u>	<u><u>N/A</u></u>
Earnings per share (sen) :-					
a) Basic		0.10	N/A	(1.44)	N/A

Note:

There is no comparative for the quarter ended 31 March 2024, due to the change in the financial year end from 31 Dec to 30 June. The Condensed Consolidated Statement of Comprehensive Income for the current quarter ended 31 March 2024, being the fifth quarter of the financial year ending 30 June 2024 is not comparable with that of the first quarter of the previous financial year ended 31 December 2022.

The unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	Unaudited As at 31 March 2024 RM'000	Audited As at 31 December 2022 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	13,889	14,934
Investment in associate	2,918	2,811
Software development	18,792	18,089
Trade and other receivables	19,031	20,865
Other investment	9	18
	<u>54,639</u>	<u>56,717</u>
Current assets		
Inventories	4,173	4,731
Trade and other receivable	18,461	16,430
Contract assets	-	169
Amount due from associates	186	-
Current tax asset	1,393	1,033
Short Term Fund, deposits, cash and bank balances	8,139	6,187
	<u>32,352</u>	<u>28,550</u>
Total Assets	<u><u>86,991</u></u>	<u><u>85,267</u></u>
EQUITY AND LIABILITIES		
Share capital	148,921	148,196
Other reserves	7,471	6,050
Exchange Reserves	(160)	18
Accumulated Losses	(89,950)	(77,460)
Equity Attributable To Equity Holders of the Company	<u>66,282</u>	<u>76,804</u>
Non-controlling interest	(194)	(194)
Total Equity	<u>66,088</u>	<u>76,610</u>
Non-current Liabilities		
Other payable	517	578
Loans and borrowings	222	306
	<u>739</u>	<u>884</u>
Current Liabilities		
Contract liabilities	-	140
Loans and borrowings	5,291	535
Trade and other payables	13,573	7,098
Amount due to an Associate	1,300	-
	<u>20,164</u>	<u>7,773</u>
Total Liabilities	<u>20,903</u>	<u>8,657</u>
TOTAL EQUITY AND LIABILITIES	<u><u>86,991</u></u>	<u><u>85,267</u></u>
Net asset per share attributable to ordinary equity holders of the Company (RM)	<u><u>0.10</u></u>	<u><u>0.10</u></u>

Note:

- (i) The net assets per share attributable to owners of company is computed based on the number of ordinary shares for the quarter and financial period respectively.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2024

	As at 31 March 2024	As at 31 March 2023
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(12,485)	N/A
Adjustment for:		
Amortisation of software development	3,374	N/A
Depreciation of property, plant and equipment	1,769	N/A
Impairment Loss on Receivables	8,511	N/A
Interest Income	(461)	N/A
Interest expenses	396	N/A
Fair value loss on quoted equity securities	9	N/A
Share base payment (ESOS)	1,421	N/A
Operating profit/(loss) before changes in working capital	2,534	N/A
Inventories	558	N/A
Trade and other receivables	(8,707)	N/A
Trade and other payables	6,414	N/A
Contract asset	29	N/A
Changes in Working Capital	828	N/A
Interest received	461	N/A
Interest paid	(396)	N/A
Tax refund/(Tax paid)	(365)	N/A
Net Operating Cash Flows	528	N/A
CASH FLOW FROM INVESTING ACTIVITIES		
Additions of intangible assets	(4,077)	N/A
Proceeds from disposal of property, plant and equipment	12	N/A
Purchase of property, plant and equipment	(844)	N/A
(Advance to)/ Repayment from associates	1,114	N/A
Net investing cash flows	(3,795)	N/A
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	725	N/A
Payment of lease liabilities	(118)	N/A
Repayments of hire purchaes payable	(91)	N/A
Net financing cash flows	516	N/A
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,751)	N/A
Effect of Changes of Exchange Rate	(178)	N/A
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	5,844	N/A
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,915	N/A
Analysis of cash and cash equivalents:		
Short Term Fund, deposits, cash and bank balances	8,139	N/A
Bank Overdraft	(5,224)	N/A
	2,915	N/A

Note:

There is no comparative for the quarter ended 31 March 2024, due to the change in the financial year end from 31 Dec to 30 June. The Condensed Consolidated Statement of Comprehensive Income for the current quarter ended 31 March 2024, being the fifth quarter of the financial year ending 30 June 2024 is not comparable with that of the first quarter of the previous financial year ended 31 December 2022.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2024

	Share Capital RM'000	Other reserves RM'000	Exchange reserves RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Balance as at 1 January 2023	148,196	6,050	18	(77,460)	76,804	(194)	76,610
Issuance of ordinary share	725	-	-	-	725	-	725
Net profit/(loss) for the financial year	-	-	-	(12,490)	(12,490)	-	(12,490)
Share option charge arising from ESOS granted	-	1,421	-	-	1,421	-	1,421
Other comprehensive loss for the financial year	-	-	(178)	-	(178)	-	(178)
Balance as at 31 March 2024	<u>148,921</u>	<u>7,471</u>	<u>(160)</u>	<u>(89,950)</u>	<u>66,282</u>	<u>(194)</u>	<u>66,088</u>

Note:

There is no comparative for the quarter ended 31 March 2024, due to the change in the financial year end from 31 Dec to 30 June. The Condensed Consolidated Statement of Comprehensive Income for the current quarter ended 31 March 2024, being the fifth quarter of the financial year ending 30 June 2024 is not comparable with that of the first quarter of the previous financial year ended 31 December 2022.

NOTES TO THE QUARTERLY REPORT

PART A - EXPLANATORY NOTES PURSUANT TO THE MALAYSIAN FINANCIAL REPORTING STANDARDS (“MFRS”) 134: INTERIM FINANCIAL REPORTING

A1. Accounting policies and methods of computation

The interim financial statements for the current quarter are unaudited and have been prepared in accordance with the requirements outlined in the Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 and Appendix 9B of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the requirement of the Companies Act 2016 in Malaysia.

The Board of Directors of the Company had on 20 November 2023 approved the change of the financial year end from 31 December 2023 to 30 June 2024. The next audited financial statements of the Company shall be for a period of 18 months, made up from 1 January 2023 to 30 June 2024. As a result of this change, there is no comparative data available for the quarter ended 31 March 2024. The Condensed Consolidated Statement of Comprehensive Income for the current quarter ended 31 March 2024, being the fifth quarter of the financial year ending 30 June 2024 is not comparable with that of the first quarter of the previous financial year ended 31 December 2022.

A2. Adoption of Amendments to Standards

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group’s audited financial statements for the financial year ended 31 December 2022 except for the following which were adopted at the beginning of the current financial year. These pronouncements are either not relevant or do not have any material impact on the Group’s financial statements for the current financial year.

MFRS 17 Insurance Contracts (“MFRS 17”) and Amendments to MFRS 17
Amendments to MFRS 108 Accounting Policies, Change in Accounting Estimates and Errors
- *Definition of Accounting Estimates*

Amendments to MFRS 112 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

NOTES TO THE QUARTERLY REPORT (CONTINUED)

A3. Standards issued but not yet effective

As at the date of authorisation of this Condensed Report, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective to the Group.

Amendments/ MFRS	Description	Effective for financial periods beginning on or after
Amendments to MFRS 16	Lease – <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRSs 101	Presentation of Financial Statements – <i>Non-current Liabilities with Convenants</i>	1 January 2024
Amendments to MFRSs 107	Statement of Cash Flows and MFRS 7 Financial Instruments: <i>Disclosure – Supplier Finance Arrangements</i>	1 January 2024

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates – *Lack of Exchangeability*

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture*

Effective date of these Amendments to Standards has been deferred, and yet to be announced

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture*

The above pronouncements are either not relevant or do not have any material impact on the Group's financial statements.

A4. Qualification on the Auditors' Report of preceding annual financial statements

There were no audit qualifications to the annual audited financial statements of the Group for the financial year ended 31 December 2022.

A5. Seasonal or cyclical factors

The business operations within the industry are not affected by seasonal and cyclical factors.

A6. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current financial quarter under review and financial year-to-date.

A7. Changes in estimates of amounts reported

There were no material changes in estimates of amounts reported in previous quarter that have a material effect on the result of the Group for the current quarter under review and financial year-to-date.

A8. Debt and equity securities

There were no issuances or repayment of debt or equity securities, share buy-backs, share cancellations, share held as treasury shares and resale of treasury shares for the current financial quarter under review.

A9. Dividend paid

There was no dividend paid or declared in the current financial quarter under review.

NOTES TO THE QUARTERLY REPORT (CONTINUED)

A10. Segmental information

The Group is organised into the following operating segments:

(a) **Fintech Services**

Provision of e-payment services, e-money services, MasterCard prepaid card services, provision of money lending services licensed by the Ministry of Housing & Local Government, and provision and operations of peer-to-peer (P2P) financing platform licensed by the Securities Commission Malaysia (“SC”), domestics and cross border remittance.

(b) **Non-fintech services**

Development, marketing and trading of information and communication technology products, project management, e-commerce, mobile virtual network operator, business outsourcing services and loyalty management services.

The segment information for the quarter ended 31 March 2024 is as follows:

Quarter ended 31 March 2024	Fintech Services RM'000	Non-fintech Services RM'000	Total Services RM'000
Segment Revenue	3,791	544	4,335
Direct Cost			(3,156)
Other unallocated income			3,769
Administrative and General Expenses			(3,942)
Share of Associate Profit /(Loss)			(14)
Finance costs			(120)
Profit/(Loss) before taxation			872
Taxation			-
Profit/(Loss) after taxation			872
Exchange different			-
Non-Controlling interest			-
Profit/(Loss) attributable to owners of the Company			872
Segment Assets	32,681	2,927	35,608
Tax assets			1,393
Unallocated corporate assets			49,990
			86,991
Segment Liabilities			
Tax liabilities			-
Unallocated corporate liabilities			20,903
			20,903

NOTES TO THE QUARTERLY REPORT (CONTINUED)

A10. Segmental information (continued)

The segment information for the quarter ended 31 March 2023 is as follows:

Quarter ended 31 March 2023	Fintech Services RM'000	Non-fintech Services RM'000	Total Services RM'000
Segment Revenue	N/A	N/A	N/A
Direct Cost			N/A
Other unallocated income			N/A
Administrative and General Expenses			N/A
Share of Associate Profit/(Loss)			N/A
Finance costs			N/A
Profit/(Loss) before taxation			N/A
Taxation			N/A
Profit/(Loss) after taxation			N/A
Exchange different			N/A
Non-controlling interest			N/A
Profit/(Loss) attributable to owners of the Company			N/A
Segment assets	N/A	N/A	N/A
Tax assets			N/A
Unallocated corporate assets			N/A
Segment Liabilities			N/A
Tax liabilities			N/A
Unallocated corporate liabilities			N/A

Information on the Group's operation by geographical segment is not provided as the Group's operation is primarily in Malaysia.

A11. Valuation of property, plant and equipment

The Group has not carried out valuation on its property, plant and equipment in the current financial quarter under review and financial year-to-date.

A12. Capital commitments

There are no material capital commitments in respect of property, plant and equipment in this quarter.

NOTES TO THE QUARTERLY REPORT (CONTINUED)

A13. Capital expenditure

There was no material capital expenditure in respect of property, plant and equipment in this quarter.

A14. Changes in the composition of the Group

There was no change in the composition of the Group for the current financial quarter under review.

A15. Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets of the Group in the current financial quarter under review and financial year-to-date.

A16. Subsequent material events

There was no material event subsequent to the end of the current financial quarter and financial year-to-date up to the date of this report that has not been reflected in the interim financial statements.

A17. Significant related party transactions

- (a) Identities of related parties
 - (i) the directors who are the key management personnel; and
 - (ii) entities controlled by certain key management personnel, directors and/or substantial shareholders

NOTES TO THE QUARTERLY REPORT (CONTINUED)

A17. Significant related party transactions (continued)

(b) In addition to balances detailed elsewhere in the financial statements, the Group carried out the following transactions with its related parties during the interim financial period:

(i) Key management personnel

	Individual Quarter	
	Current Quarter	Preceding Year Corresponding Quarter
	31 March 2024 RM'000	31 March 2023 RM'000
Rental expenses	69	N/A
Short term employee benefits	176	N/A

	Cumulative Quarter	
	Current Quarter	Preceding Year Corresponding Period
	31 March 2024 RM'000	31 March 2023 RM'000
Rental expenses	345	N/A
Short term employee benefits	915	N/A

PART B - ADDITIONAL INFORMATION REQUIRED PURSUANT TO THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Review of performance

	***** Individual Quarter *****			***** Cumulative Quarter *****		
	Current year quarter 31 March 2024	Preceding year corresponding quarter 31 March 2023	Increase/ (Reduce)	Current year to date 31 March 2024	Preceding year corresponding period 31 March 2023	Increase/ (Reduce)
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	4,335	N/A	N/A	21,920	N/A	N/A
Operating Profit/(Loss)	1,006	N/A	N/A	(12,197)	N/A	N/A
Profit/(Loss) Before Tax	872	N/A	N/A	(12,485)	N/A	N/A
Profit/(Loss) After Tax	872	N/A	N/A	(12,490)	N/A	N/A
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	872	N/A	N/A	(12,490)	N/A	N/A

There is no comparative for the quarter ended 31 March 2024, due to the change in the financial year end from 31 Dec to 30 June. The Condensed Consolidated Statement of Comprehensive Income for the current quarter ended 31 March 2024, being the fifth quarter of the financial year ending 30 June 2024 is not comparable with that of the first quarter of the previous financial year ended 31 December 2022.

MPay and its subsidiaries ("Group") recorded revenue of RM4.335 million in the quarter ended 31 March 2024 ("current quarter"). The majority of this revenue was generated from Fintech services.

The Group recorded a Profit After Tax of RM0.872 million in the current quarter. This profit was primarily attributed to lower administrative and general expenses, including a reduction in impairment of trade receivables which provided RM0.732 million (Q4 31 Dec 2023: RM1.582 million), and RM2.95 million from subsidies and sponsorships received from government agencies and product partners, including product launch support fee from our acquiring partner.

The Group cash position and liquidity remains healthy with short term fund and cash balance of about RM2.915million.

2. Material changes to the results of the preceding quarter

***** Individual Quarter *****

	Current quarter 31 March 2024	Preceding quarter 31 December 2023	Increase / (Reduce)
	RM'000	RM'000	RM'000
Revenue	4,335	4,098	237
Operating Profit/(Loss)	1,006	(2,943)	3,949
Profit/(Loss) Before Tax	872	(3,053)	3,925
Profit/(Loss) After Tax	872	(3,053)	3,925
Profit/(Loss) Attributable to Ordinary Equity Holders of the Parent	872	(3,053)	3,925

MPay and its subsidiaries ("Group") recorded revenue of RM4.335 million in the quarter ended 31 March 24 ("current quarter"), compared with the revenue of RM4.098 million in the immediate preceding quarter, representing an increase of RM0.237 million in the current quarter. This increase was due to the increase in Non-fintech services revenue.

The Group recorded a Profit After Tax of RM0.872 million during the current quarter, compared to a Loss After Tax of RM3.053 million in the immediate preceding quarter, reflecting an increase of RM3.925 million. This profit was primarily attributed to lower administrative and general expenses, including a reduction in impairment of trade receivables which provided RM0.732 million (Q4 31 Dec 2023: RM1.582 million), and RM2.95 million from subsidies and sponsorships received from government agencies and product partners, including product launch support fee from our acquiring partner.

3. Prospects of the Group

The Group achieved growth across all business segments and the Fintech and Non-Fintech continued to contribute positively. Strong growth comes from the customers' investments in technology for business Fintech and digital innovation.

The Group has strategically forged partnerships with the companies with digital-based solutions, establishing a robust platform to capture market opportunities and strengthen the Group offerings in the Fintech business segments.

Given the growing trend of companies transitioning to Fintech for accelerating digital transformation, the Group is well-positioned to ride the digital transformation cycle and meet the evolving industry needs of the customers.

The Group is committed to delivering value, fostering innovation and continues to identify synergistic opportunities with strategic partners and investing in talented people to drive business opportunities arising from the adoption of digital solutions.

Barring unforeseen circumstances, the Board maintains a positive outlook and remains optimistic of the Groups' performance in the current and future financial years.

4. Profit forecast and profit estimate

The Group has not issued any profit forecast or profit estimate for the current financial quarter under review or in any public documents.

5. Profit before taxation

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31 March 2024	Preceding Year Corresponding Quarter 31 March 2023	Current Year-to-date 31 March 2024	Preceding Year Corresponding Period 31 March 2023
	RM'000	RM'000	RM'000	RM'000
Interest income	(139)	N/A	(461)	N/A
Other income, excluding interest income, gain on disposal of plant and equipment and gain on foreign exchange	(3,630)	N/A	(4,083)	N/A
Depreciation & amortisation	1,343	N/A	5,143	N/A
Impairment of trade receivable	732	N/A	8,511	N/A
Interest Expenses	(54)	N/A	396	N/A

6. Taxation

The taxation figures are as follows:

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31 March 2024	Preceding Year Corresponding Quarter 31 March 2023	Current Year-to-date 31 March 2024	Preceding Year Corresponding Period 31 March 2023
	RM'000	RM'000	RM'000	RM'000
Income tax charge	-	N/A	(5)	N/A
Deferred taxation	-	N/A	-	N/A
Tax expense	-	N/A	(5)	N/A

7. Status of corporate proposal

Save as disclosed below, there are no corporate proposal announced but not completed as at the date of this announcement.

8. Borrowings

The group's borrowings as of the end of the reporting period are as follows:

	31 March 2024 RM'000	31 March 2023 RM'000
Total		
Bank overdraft	5,224	N/A
Hire purchase payable	95	N/A
Lease liabilities	194	N/A
	<hr/> 5,513	<hr/> N/A

9. Material litigation

There were no material litigations pending as at the date of issuance of this announcement.

10. Dividend

There was no dividend declared and paid during the current financial quarter under review and financial year to-date.

11. Earnings per Share

(a) Basic earnings per ordinary share

The earnings per share is calculated by dividing the profit after taxation of the Group for the period by the weighted average number of ordinary shares in issue during the financial period under review.

	Individual Quarter		Cumulative Quarter	
	Current Quarter 31 March 2024	Preceding Year Corresponding Quarter 31 March 2023	Cumulative Year-to-date 31 March 2024	Cumulative Year-to-date 31 March 2023
Total comprehensive Income attributable to owners of the Company (RM'000)	872	N/A	(12,490)	N/A
Weighted average number of ordinary shares in issue ('000)	866,369	N/A	866,369	N/A
Basic earnings per ordinary share (sen)	0.10	N/A	(1.44)	N/A

(b) Diluted earnings per ordinary share

The Group has no dilution in their loss per ordinary share as there were no dilutive potential ordinary shares.

12. Other Disclosures Items to the Statement of Comprehensive Income

Save as disclosed above in the Statement of Comprehensive Income, the following items are not applicable to the Group: -

- (a) Gain or loss on disposal of quoted or unquoted investments or properties;
- (b) Gain or loss on derivatives;
- (c) Exceptional items;

13. This interim financial report is dated 15 May 2024.

THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK